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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/092,005

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Gordon P. Getty

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02/16/2011

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EXAMINER

POLLOCK, GREGORY A

ART UNIT

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/092,005	<b>Applicant(s)</b> GETTY, GORDON P.	
	<b>Examiner</b> GREG POLLOCK	<b>Art Unit</b> 3695	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 12/27/2010.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-3,5-18,20,22 and 23 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-3,5-18,20,22 and 23 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                     | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

1. This action is responsive to claims filed 12/27/2010 and Applicant's request for reconsideration of application 10/092005 filed 12/27/2010.

The amendment contains original claims 9 and 11.

The amendment contains previously presented claims 2, 3, 5-8, 10, 12-16, 18, 20, 22, and 23.

The amendment contains amended claims 1 and 17.

Claims 4, 19, and 21 have been canceled.

As such, claims 1-3, 5-18, 20, 22, and 23 have been examined with this office action.

### ***Proposed Examiner Initiated Interview***

2. The examiner believes that an interview regarding application 10/092005 would be beneficial in advancing its prosecution. Upon receiving this office action, the applicant is invited to contact the examiner to establish an agenda and date for an interview regarding the present application.

### ***37 CFR 1.132 Affidavits***

3. The Rule 130, 131 or 132 Affidavits filed on 12/27/2010 under 37 CFR 1.132 have been considered but is ineffective to overcome the Goodwin (U.S. Patent No. 7035820), Norris (PGPub Document No. 20030074300), and Altomare (U.S. Patent No. 7249075) references. There is no showing that others of ordinary skill

in the art were working on the problem and if so, for how long. In addition, there is no evidence that if persons skilled in the art who were presumably working on the problem knew of the teachings of the above cited references, they would still be unable to solve the problem. See MPEP § 716.04.

Additionally, the affidavits refer(s) only to the system described in the above referenced application and not to the individual claims of the application. Thus, there is no showing that the objective evidence of nonobviousness is commensurate in scope with the claims. See MPEP § 716. .

Additionally, the attempts to show commercial success do not provide a nexus between the claimed invention and the claimed invention.

In view of the foregoing, when all of the evidence is considered, the totality of the rebuttal evidence of nonobviousness fails to outweigh the evidence of obviousness.

#### ***Claim Interpretation – Method Steps***

4. **Claims 1-3 and 5-14** contain claims which do not positively recite the statutory class (thing or product) to which it is tied, by identifying the apparatus that accomplishes the method steps. For example, claim 1 and recites *inter alia* the claim limit “receiving, at a computer server, registration information from an investment fund” which does not identify the apparatus performing the action. As another example, claim 8 recites “wherein a fee is charged by the liquidity vehicle in connection with the purchase of the at least one offered share “and claim 12

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recites the claim limit “wherein a fee is charged by an entity other than the liquidity vehicle in connection with the purchase of the at least one offered share” (where the liquidity vehicle or an entity that not a liquidity vehicle is clearly not a particular machine). Where it is unclear what is performing a method step, such method step it is broadly interpreted to encompass all means by which the claim limit can be performed (including a purely mental step performed by a human). If a claim limit is intended to be interpreted as being performed by a specific structural element, it must be made clear what underlying apparatus is used to perform each recited method step. Merely stating the underlying apparatus in the preamble is not sufficient. Further, if the method step is performed by software, it must be made clear that the software resides on a physical media and when read by a processor executes the method steps (all of which requires support in the specification). It is recommended that the claim be amended to clarify which method steps are performed by automatically by code and which required human decisions or action. **Claims 2-10** also contain claim limits with similar interpretations.

***Claim Interpretation - Intended Use or Intended Results***

5. In determining patentability of an invention over the prior art, all claim limitations have been considered and interpreted as broadly as their terms reasonably allow. See MPEP § 2111.

Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988

F.2d 1181,26 USPQ2d 1057 (Fed. Cir. 1993).

Applicant always has the opportunity to amend the claims during prosecution, and broad interpretation by the examiner reduces the possibility that the claim, once issued, will be interpreted more broadly than is justified. In re Pruter, 415 F.2d 1393, 1404-05, 162 USPQ 541,550-51 (CCPA 1969). See MPEP § 2111.

All claim limitations have been considered. Additionally, all words in the claims have been considered in judging the patentability of the claims against the prior art. The following language is interpreted as not further limiting the scope of the claimed invention. See MPEP 2106 II C.

Language in a method claim that states only the intended use or intended result, but the expression does not result in a manipulative difference in the steps of the claim. Language in a system claim that states only the intended use or intended result, but does not result in a structural difference between the claimed invention and the prior art. In other words, if the prior art structure is capable of performing the intended use, then it meets the claim. **Claims 1, 15-18, 20, and 22** contain statements of intended use (as identified in the prior art rejection of each respective claim) which required correction

### ***Claim Interpretation - Preamble***

6. According to MPEP 2111.02, if the body of a claim fully and intrinsically sets forth all of the limitations of the claimed invention, and the preamble merely states, for example, the purpose or intended use of the invention, rather than any distinct definition of any of the claimed invention's limitations, then the preamble is not considered a limitation and is of no significance to claim construction. Pitney

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Bowes, Inc. v. Hewlett- Packard Co., 182 F.3d 1298, 1305, 51 USPQ2d 1161, 1165 (Fed. Cir. 1999). See also Rowe v. Dror, 112 F.3d 473, 478, 42 USPQ2d 1550, 1553 (Fed. Cir. 1997) ("where a patentee defines a structurally complete invention in the claim body and uses the preamble only to state a purpose or intended use for the invention, the preamble is not a claim limitation"); Kropa v. Robie, 187 F.2d at 152, 88 USPQ2d at 480-81 (preamble is not a limitation where claim is directed to a product and the preamble merely recites a property inherent in an old product defined by the remainder of the claim); STX LLC. v. Brine, 211 F.3d 588,591, 54 USPQ2d 1347, 1350 (Fed. Cir. 2000). If a prior art structure is capable of performing the intended use as recited in the preamble, then it meets the claim. See, e.g., In re Schreiber, 128 F.3d 1473, 1477, 44 USPQ2d 1429, 1431 (Fed. Cir. 1997). **Claims 15 and 16** (lines 1-2) recite a system with the intended use "for providing liquidity utilizing a liquidity vehicle".

### ***Claim Rejections - 35 USC § 103***

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 1-3, 5-18, 20 and 22-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over Goodwin (U.S. Patent No. 7035820) in view of Norris (PGPub

Document No. 20030074300) in further view of Altomare (U.S. Patent No. 7249075).

**Regarding claim 1**, Goodwin discloses **a computer-implemented method of providing liquidity utilizing a liquidity vehicle, comprising: receiving, at a computer server, registration information from an investment fund wanting to receive liquidity services** (column 9, lines 15-25; column 14, lines 17-20); **prompting, by a computer server, at least one registered investment fund to offer shares to the liquidity vehicle** (column 10, lines 26-31; column 12, lines 19-58; Table 1, buyer and seller alerts; column 22, lines 10-18; column 24, lines 40-46; column 25, lines 17-64); **and purchasing, by the computer server, at least one offered share of the at least one registered investment fund with proceeds of the purchase going to the at least one registered investment fund** (column 2, lines 32-37; column 9, lines 40-45; column 17, lines 48-54).

Goodwin does not disclose holding the at least one purchased share in the liquidity vehicle for a period of time. However, Norris discloses **holding the at least one purchased share in the liquidity vehicle for a period of time** (page 1, paragraphs 5-6; page 2, paragraph 14; page 5, paragraphs 48, 52-53 and 55; page 6, paragraphs 61-62; page 7, paragraphs 80-81). It would have been obvious to one of ordinary skill in the art at the time of the invention to modify the selling of shares of securities through registration at a website as disclosed by Goodwin to adapt the use of repurchase agreements as disclosed by Norris. The motivation would be that both sales and repurchase agreements result in the sale of shares of a security and both are common and well known financial transactions in the financial field. Adapting the ability to engage in repurchase agreements using the website offering the sale of securities would result in the offering of a broader range of like financial transactions known in the art.

Neither Goodwin nor Norris disclose **using the liquidity services to meet financial obligations resulting from the redemption of at least one share of the at least one investment fund and wherein a net share outflow comprises the registered investment fund having an excess number of shares being redeemed, excluding share redeemed by the liquidity vehicle, in comparison to a number of shares being purchased, excluding shares purchased by the liquidity vehicle, over a given period of time; and redeeming at least one of the at least one purchased share from the at least one registered investment fund following an occurrence of a net inflow of shares of the same at least one registered investment fund.**



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However, the Altomare discloses these limitations ([Abstract] [column 3, line 3 – column 4, line 53]). It would be obvious to one of ordinary skill in the art at the time of invention to modify the trading of loans and securities as disclosed by Goodwin and the offering of REPOs for securities as disclosed by Norris to enter into a REPO for the purpose of meeting obligations resulting from the redemption of shares in excess of shares being purchased as disclosed by the Altomare as a means to meet inflow and outflow requirements. The motivation would be to provide liquidity through financial mechanisms that are known in the art.

Note that the phrase “for meeting financial obligations resulting from the redemption of at least one share of the investment fund” is a statement of intended use and not a positive recitation of a claim limit.

**Regarding claims 2 and 3**, Goodwin discloses that **the computer server is a third party server** (column 10, lines 26-31 ; column 12, lines 19-58; Table 1, buyer and seller alerts; column 22, lines 10-18; column 24, lines 40-46; column 25, lines 17-64). Goodwin does not specifically disclose where the prompting is performed by the liquidity vehicle server. However, it would have been obvious to one of ordinary skill in the art at the time of the invention that the liquidity vehicle server could do the prompting. For example, the liquidity vehicle could be operating the trading system such that the liquidity vehicle would then be the party prompting. Eliminating a third party is an old and well known process.

Note that even though prior art has been applied to claims 2 and 3, the description of the “computer server” as “a liquidity vehicle server” and/or a “third party” server is non-function descriptive matter, and as such is give no patentable weight. Further, both claims 2 and 3 do further limit claim 1 from which they depend.

**Regarding claim 5**, Goodwin does not specifically disclose wherein the at least one offered share is purchased prior to the next trading day after an occurrence of an outflow of shares of the registered investment fund. However, Goodwin discloses a computer web site for which users have access to access in order to list items for sale in order to provide expedited liquidity (column 2, lines 32-46) in which buyers receive notification of available products for sale that match their preferences (column 12, lines 19-58). It would be obvious to one of ordinary skill in the art at the time of the invention for a buyer to buy shares of a listed investment fund with shares available for sale, and to do so prior to the next trading day. If a seller lists shares for sale on the liquidity system as disclosed by Goodwin, it is because the seller is actively seeking liquidity in the shares. A buyer who has listed preferences that match the items for sale would then want to buy those shares as they become available in order to maximize their investments strategies. If the buyer waits and the funds are not bought by the next trading day, the seller seeking liquidity could be interested in then opening

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the sale to a broader audience, the buyer would potentially loose out on the opportunity for investment. The computerized, Internet or other network based system of Goodwin provides a means of continual listing, notification, and matching of offers to buy and sell such that the parties are not restricted to trading day limitations.

**Regarding claims 6-7 and 13-14**, Goodwin does not specifically disclose wherein operation (e) is performed prior to a next trading day following an occurrence or within five or a specified number of trading days of an occurrence of an inflow of shares of the same at least one registered investment fund. However, it would have been obvious to one of ordinary skill in the art to designate a timeframe to include prior to the next trading day or within 5 days when an inflow of shares has been received. The motivation would be that the sale and purchase of the shares, as established in the original transaction, was meant to provide liquidity while the investment fund was in a state of need. When the investment fund is no longer in a state of need, the investment fund would then regain ownership of the shares per the original agreement. The intent of the transaction is to provide short term liquidity and thus the time frame of the trade of funds for shares is also short term. Norris, for example, specifically discloses where the time frame is negotiated between parties and can range from anywhere to overnight to multi-week depending on requirements of parties (page 7, paragraph 84; page 8, paragraph 96).

**Regarding claims 8, 11 and 12**, Goodwin discloses wherein a fee is charged in connection with the purchase of the at least one offered share (column 10, lines 10-19). Goodwin does not disclose where the fee is determined and charged by the liquidity vehicle. However, it would be obvious to one of ordinary skill in the art that a liquidity vehicle could determine and charge fees, as it is old and well known in the field of conducting financial transactions to charge fees. As the liquidity vehicle is providing a service by purchasing shares from an investment fund requiring liquidity, it would be obvious for the liquidity vehicle to charge a fee for providing that service. It is old and well known for fees to be charged by various parties of a transaction for various elements of the transaction, ranging from initiation fees, documentation fees, closing fees, fees per dollar value of transaction, fees per number of transactions, fees based on the volume of a transaction, feed charged for late payments, fees for early termination, fees charged by a lender, fees charged by third parties, etc. As it relates to claim 2, Goodwin discloses fees being charged by the system operator. In the case of Goodwin, the system operator is a third party. However, as stated in the rejection of claim 2 above, it would be obvious that the liquidity provider could be the system operator, in which case the fee as disclosed by Goodwin would then be charged by the liquidity provider. Given the old and well known nature of charging fees by all involved parties and for any unlimited number of elements of a transaction, it would be obvious to one of ordinary skill in the art

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that the liquidity vehicle could charge any number of fees in exchange for the service of offering liquidity provided.

**Regarding claims 9-10**, Goodwin **discloses wherein a purchase price is determined through an auction** (column 2, lines 32-46; column 7, lines 63-67; column 24, lines 30-33; Table 3). Goodwin does not disclose wherein the fee is determined through an auction or a Dutch auction. However, it would be obvious to one of ordinary skill in the art that if the purchase is being conducted via an auction, that all applicable fees could be included in the price that is visible such that a bidder is bidding on a total price for the amount of liquidity required as well as the fees associated therewith.

**Regarding claims 15-18, 20 and 22-23**, further system and computer readable medium claims would have been obvious in order to implement the previously rejected method claims 1-3 and 5-14 and are therefore rejected using the same art and rationale.

Note that the phrase “for meeting financial obligations resulting from the redemption of at least one share of the investment fund” as found in claims 15-17 is a statement of intended use and not a positive recitation of a claim limit.

Note that the phrase “to determine a fee to be charged by the liquidity vehicle in connection with the purchase of the at least one offered share” as found in claim 20 is a statement of intended use and not a positive recitation of a claim limit.

### ***Response to Arguments***

9. Applicant's arguments with regards to claims 1-3, 5-18, 20, 22, and 23, filed 01/22/2009 have been considered but are moot in view of the new ground(s) of rejection. The rejection above serves as the examiners response to the applicant's arguments.

### ***Conclusion***

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Gregory Pollock whose telephone number is 571

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270-1465. The examiner can normally be reached on 7:30 AM - 4 PM, Mon-Fri Eastern Time.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Chuck Kyle can be reached on 571 272-5233. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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/Gregory Pollock/  
Examiner, Art Unit 3695

Gregory A. Pollock

/Thu Thao Havan/  
Primary Examiner, Art Unit 3695